# Washington State House of Representatives Office of Program Research

## BILL ANALYSIS

## Government Accountability & Oversight Committee

## **SB 5674**

**Brief Description**: Allowing wine and beer sampling at farmers markets.

**Sponsors**: Senators Kohl-Welles, Smith, Hatfield, Conway, Schoesler, King, Hobbs, Murray, Keiser, Ranker, Harper, Hewitt and Rolfes.

### **Brief Summary of Bill**

• Allows for the sampling of domestic wine and beer at qualifying farmers markets under certain conditions.

**Hearing Date**: 3/26/13

Staff: Trudes Tango (786-7384).

### Background:

In 2011, the Legislature authorized a one year pilot project to allow 10 farmers markets and a limited number of domestic wineries and microbreweries to offer a tasting program. One of the goals of the pilot program was to provide small wineries and microbreweries opportunities to market their Washington wine and beer. The pilot program was conducted from September 1, 2011 to October 31, 2012.

Under the program, only one winery or microbrewery was allowed to offer samples at the farmers market per day. Samples were limited to two ounces or less, with a total of four ounces per customer per day. The Liquor Control Board (LCB) authorized qualifying farmers markets to sell bottled wine and beer for off-premise consumption and authorized participating wineries and microbreweries to sell its products at qualifying farmers markets. The wine sold at a qualifying farmers market must be made entirely from grapes or other agricultural product grown in Washington. The beer sold at qualifying farmers markets must be produced in Washington.

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A qualifying farmers market must sponsor vendors promoting the sale of agricultural products grown or produced in this state. At least five vendors must be farmers selling their own agricultural products. The total combined gross annual sales of farmer vendors must exceed the total combined gross annual sales of vendors who are processors or resellers. And the total combined gross annual sales of farmer vendors, processors, or resellers must exceed the total combined gross annual sales of vendors who are not farmers, processors, or resellers. No imported items or secondhand items may be sold, and no vendor can be a franchise.

#### **Summary of Bill:**

Sampling of wine and beer by domestic wineries and microbreweries is allowed at all qualifying farmers markets under certain conditions.

A qualifying farmers market must be authorized to allow domestic wineries and microbreweries to sell bottled beer and wine at the farmers market and must apply to the LCB for an endorsement to allow sampling of wine and beer at the market. The wineries and microbreweries offering samples must also have an endorsement from the LCB to sell wine or beer at a qualifying farmers market.

The following other conditions apply:

- No more than three wineries or microbreweries combined may offer samples at the market per day.
- Samples must be two ounces or less, and a winery or microbrewery may provide a maximum of two ounces of wine or beer to a customer per day.
- A winery or microbrewer may advertise that it offers samples only at its designated booth, stall, or other designated location at the farmers market.
- Customers must remain at the designated booth, stall, or other designated location while sampling.
- A winery or microbrewery must either have food available for customers or must be adjacent to a vendor offering prepared food.
- Those licensees and employees involved in sampling must hold the appropriate alcohol server permit.

The LCB may establish additional requirements to ensure that persons under 21 years of age and apparently intoxicated persons may not possess or consume alcohol under the sampling provisions. The LCB may also prohibit sampling at a farmers market that is within the boundaries of an alcohol impact area if the LCB finds that sampling activities have an adverse effect on the reduction of chronic public inebriation in the area.

The LCB may suspend, for up to two years, a winery's or microbrewery's farmers market endorsement if the winery or microbrewery has committed a public safety violation in conjunction with tasting activities. The LCB may offer a monetary penalty in lieu of suspension if mitigating circumstances exist.

**Appropriation**: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.